

FISCAL NOTE

HB 2568 – SB 2670

January 21, 2008

SUMMARY OF BILL: Prohibits any current or former member of the General Assembly (or such member's dependents) from retaining health insurance benefits if that member is convicted in any court of this state, or in any federal court, of a felony arising out of that person's official capacity, constituting malfeasance in office, effective November 4, 2008.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – If one current or former member of the General Assembly is convicted of a felony during FY08-09, and this individual is of average age, with an average life expectancy, total state expenditures could decrease by an amount estimated to exceed \$700,000 over the individual's remaining life (an average of \$28,000 per year for 25 years).

Assumptions:

- All rights, privileges, and benefits would be restored if the conviction is later overturned in any court and such member is acquitted, or a full pardon has been granted.
- The average age of current and former members of the General Assembly eligible for health insurance benefits is estimated to be fifty-five (55).
- Life expectancy for current and former members of the General Assembly is estimated to be eighty (80) years.
- The monthly state contribution for the state insurance plan for family health insurance coverage for calendar year 2008 is \$1,013.92 per month (or \$12,167.04 per year).
- Six percent (6.0%) annual growth of health insurance premiums.
- The future value of insurance premiums paid by the state over a twenty-five year period, assuming 6.0% annual growth of premiums, is estimated to be \$707,591.03.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly legible, and "W." in the middle.

James W. White, Executive Director

/rnc